## AMENDMENT TO H.R. 1 OFFERED BY MRS. MILLER OF MICHIGAN

Add at the end of subtitle H of title I of division B the following new part:

## 1 PART 5—NEW MOTOR VEHICLE CREDIT

- 2 SEC. 1741. NEW MOTOR VEHICLE EXPENDITURES.
- 3 (a) IN GENERAL.—Part VI of subchapter B of chap-
- 4 ter 1 of the Internal Revenue Code of 1986 is ameded
- 5 by adding at the end the following new section:
- 6 "SEC. 200. NEW MOTOR VEHICLE EXPENDITURES.
- 7 "(a) In General.—In the case of an individual or
- 8 a taxpyer which is an eligible small business, there shall
- 9 be allowed as a deduction for the taxable year an amount
- 10 equal to so much of the qualified new motor vehicle ex-
- 11 penditures of the taxpayer for the taxable year as do not
- 12 exceed \$5,000.
- 13 "(b) QUALIFIED NEW MOTOR VEHICLE EXPENDI-
- 14 TURES.—For purposes of this section, the term 'qualified
- 15 new motor vehicle expenditures' means amounts paid or
- 16 incurred for the purchase of a motor vehicle (as defined
- 17 in section 30(c)(2)—
- 18 "(1) which is acquired for use by the taxpayer
- and not for resale,

1	"(2) the original use of which commences with
2	the taxpayer, and
3	"(3) which has a vehicle gross weight rating of
4	not more than 14,000 pounds.
5	"(e) Definitions and Special Rules.—For pur-
6	poses of this section—
7	"(1) SMALL BUSINESS.—A taxpayer is an eligi-
8	ble small business for any taxable year if the average
9	annual gross receipts of the taxpayer for the 3 pre-
10	ceding taxable years do not exceed \$5,000,000. For
11	purposes of the preceding sentence, rules similar to
12	the rules of paragraphs (2) and (3) of section 448(c)
13	shall apply.
14	"(2) One-time only.—If a deduction is al-
15	lowed under subsection (a) with respect to an tax-
16	payer who places in service a motor vehicle, no de-
17	duction shall be allowed with respect to any other
18	vehicle placed in service by such individual.
19	"(3) Basis reduction.—The basis of any
20	property for which a deduction is allowed under sub-
21	section (a) shall be reduced by the amount of such
22	deduction.
23	"(4) ELECTION NOT TO TAKE CREDIT.—No
24	deudction shall be allowed under subsection (a) with

1	respect to any vehicle if the taxpayer elects to not
2	have this section apply to such vehicle.
3	"(5) NO DOUBLE BENEFIT.—The amount of
4	any deduction or other credit allowable under this
5	chapter with respect to a vehicle shall be reduced by
6	the amount of any deduction allowed under sub-
7	section (a) for such vehicle for the taxable year.
8	"(6) Property used outside united
9	STATES, ETC., NOT QUALIFIED.—No deduction shall
10	be allowed under subsection (a) with respect to any
11	property referred to in section 50(b) or with respect
12	to the portion of the cost of any property taken into
13	account under section 179.
14	"(d) TERMINATION.—This section shall not apply to
15	any vehicle purchased more than 180 days after the date
16	of the enactment of the American Recovery and Reinvest-
17	ment Tax Act of 2009.".
18	(b) Conforming Amendment.—Subsection (a) of
19	section 1016 of such Code is amended by striking "and"
20	at the end of paragraph (36), by striking the period at
21	the end of paragraph (37) and inserting ", and", and by
22	adding at the end the following new paragraph:
23	"(38) to the extent provided in section
24	200(d)(3).".

- 1 (c) Clerical Amendment.—The table of sections
- 2 for part VI of subchapter B of chapter 1 of such Code
- 3 is amended by striking the item relating to section 224
- 4 and inserting the following new items:
  - "Sec. 200. New motor vehicle expenditures.".
- 5 (d) Effective Date.—The amendments made by
- 6 this section shall apply to amounts paid or incurred after
- 7 the date of the enactment of this Act.

